

Signature

Industries Corp.
Leasing and Financial Services

240 East Lake Street
Addison, Illinois 60101

312/941-7579

14559

RECORDATION NO. Filed 1426

JAN 28 1985 - 1 30 PM

INTERSTATE COMMERCE COMMISSION

January 21, 1985

Mrs. Mildred Lee
Interstate Commerce Commission
Recordation Dept., Room 2303
12th and Constitution
Washington, D.C. 20423

Dear Mrs. Lee:

Attached is a Lease Agreement covering ten (10) railroad cars by and between Signature Industries Corp. and Temco Corporation as joint lessors and Union Oil Company as lessee.

The parties to the lease now wish to perfect their respective interests by recording the lease with the ICC.

Attached is a notarized original and a copy of the Lease Agreement. Also attached is a check in the amount of \$10 to cover the recording fee.

Please return the original Lease Agreement to me after the recording is completed.

Sincerely,

SIGNATURE INDUSTRIES CORP.


Robert F. Mack

RM/sj

Enclosures

Signature

Industries Corp.
Leasing and Financial Services

240 East Lake Street
Addison, Illinois 60101

312/941-7579

January 21, 1985

Mrs. Mildred Lee
Interstate Commerce Commission
Recordation Dept., Room 2303
12th and Constitution
Washington, D.C. 20423

Dear Mrs. Lee:

Enclosed are three (3) lease agreements which we would like to have recorded with the Interstate Commerce Commission.

Please contact me if you require additional information.

Sincerely,

SIGNATURE INDUSTRIES CORP.


Robert F. Mack

RM/sj

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

1/18/85

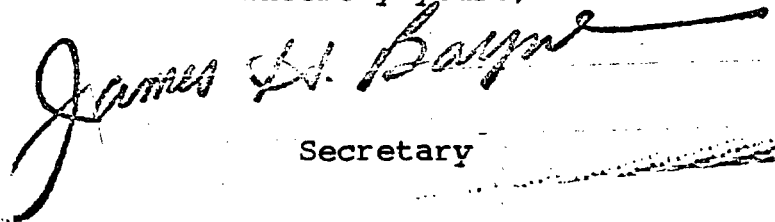
OFFICE OF THE SECRETARY

Robert F. Mack
Signature Industries Corp. }
240 East Lake St.
Addison, Illinois 60101

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/28/85 at 1:30pm and assigned re-recording number(s). 14559, 14560, 14561

Sincerely yours,


Secretary

Enclosure(s)

LESSOR'S
COPY

EQUIPMENT LEASE AGREEMENT

14559
JAN 28 1985 1 32 PM

INTERSTATE COMMERCE COMMISSION

THIS EQUIPMENT LEASE AGREEMENT, hereinafter referred to as "Lease", is by and between Temco Corporation, 47 West Dundee Road, Wheeling, Illinois 60090, an Illinois corporation, and Signature Industries Corp., 1900 Lee Street, Des Plaines, IL 60018, an Illinois corporation, hereinafter jointly referred to as "Lessor", and Union Oil Company of California, 1650 East Golf Road, Schaumburg, Illinois, hereinafter referred to as "Lessee";

W I T N E S S E T H:

I. LEASING: In consideration of the covenants herein contained, Lessor agrees to lease and Lessee agrees to hire from Lessor such unit or units of equipment, hereinafter referred to as "Unit", described in the Equipment Lease Schedule or Schedules, hereinafter referred to as "Schedule", to be attached hereto and to become a part hereof as same are executed from time to time by the parties hereto.

II. TERM, RENT, AND PAYMENT:

(a) The lease of and rent for each Unit shall commence on the day specified in the Schedule pertaining thereto and shall continue for the period specified as the "term" in said Schedule. If any such term be extended, the word "term" or "period" as used in this Lease, shall be deemed to refer to the extended term, and all provisions of this Lease shall apply during and until the expiration of said extended period, except as may otherwise specifically provided in this Lease or in any subsequent written agreement of the parties.

(b) The rental for each Unit shall be in the amount set forth in the Schedule and shall be payable in arrears at the times set forth in the Schedule.

(c) Rent shall be payable to Uptown National Bank of Chicago, hereinafter referred to as "Assignee", at its office at 4753 North Broadway, Chicago, Illinois 60640. Lessee's obligation to pay all rent payable under the Lease shall be absolute and unconditional and shall not be affected by any counterclaim, recoupment, defense or other right which Lessee may now or hereafter have against Lessor or the Assignee of Lessor. Further, it is the intention of the parties hereto that the rents and other amounts payable to Lessor's Assignee shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of the Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to raise any defense to payment of rent to Lessor's Assignee.

(d) This Lease is a net lease and the Lessee acknowledges that the Lessee's obligation to pay all obligations hereunder, including but not limited to any rental installments or other sums to be paid hereunder, shall be absolute and unconditional.

Lessee's obligations shall not be subject to any abatement, reduction, set-off, defense, counterclaim or recoupment, hereinafter referred to as "abatements" whatsoever, including, without limitation abatements due to any present or future claims under this Lease or otherwise of the Lessee against the Lessor, or any assignee of the Lessor, or against the manufacturer or seller of any Unit or against any other person or entity. Except as otherwise expressly provided herein, this Lease shall not terminate, nor shall the respective obligations of the Lessor or the Lessee be affected, by any reason of any defect in or damage to, or any loss or destruction of any Unit thereof from whatsoever cause, or the interference with the use thereof by any private person, corporation or governmental authority, or as a result of any war, riot, insurrection or Act of God, or the invalidity or unenforceability or lack of due authorization of this Lease or lack of right, power or authority of the Lessor to enter into this Lease, or for any other cause, whether similar or dissimilar to the foregoing, any present or future regulation to the contrary notwithstanding. It is the express intention of the Lessor and the Lessee that all rent payable by the Lessee hereunder shall be, and continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

III. REPORTS:

(a) Upon demand, Lessee will advise Lessor where each Unit is located and permit Lessor to examine each Unit.

(b) Without demand, Lessee will (1) within a reasonable time, notify Lessor of each accident arising out of the alleged or apparent improper manufacturing, functioning or operation of any Unit, the time, place and nature of the accident and damage, the names and addresses of parties involved, persons injured, and such other information as may be known, and, within a reasonable time, notify Lessor of all correspondence, papers, notices and documents received by Lessee in connection with any claim or demand involving or relating to improper manufacturing, operation of functioning of any Units or charging Lessor with liability, and together with Lessee's employees', aid in the investigation and defense of all such claims and shall aid in the recovery of damages from third parties liable therefor; and (2) notify Lessor in writing, within thirty (30) days after any day on which any tax lien attaches to any Unit, of the location of such Unit, on such day.

IV. DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; USE; TAXES; MAINTENANCE; INDEMNIFICATION:

(a) The Lessee acknowledges and agrees (i) that the Units are of a size, design, capacity and manufacture selected by the Lessee, (ii) that the Lessor is not a manufacturer thereof nor a dealer in property of such kind, and (iii) THAT THE LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS DELIVERED TO LESSEE HEREUNDER, AND THE LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT, EITHER UPON DELIVERY THEREOF TO LESSEE OR OTHERWISE, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE ARE TO BE BORNE BY THE LESSEE. THE LESSOR SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO THE LESSEE OR ANY OTHER PERSON WITH RESPECT TO ANY OF THE FOLLOWING: (1) ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY ANY UNITS OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN OR BY ANY OTHER CIRCUMSTANCES IN CONNECTION THEREWITH; (2) THE USE, OPERATION OR PERFORMANCE OF ANY UNITS OR ANY RISKS THERETO; (3) ANY INTERRUPTION OF SERVICE, LOSS OF BUSINESS OR ANTICIPATED PROFITS OR CONSEQUENTIAL DAMAGES OR (4) THE DELIVERY, OPERATION, SERVICING, MAINTENANCE, REPAIR, IMPROVEMENT OR REPLACEMENT OF ANY UNITS.

(b) The Lessee agrees, for the benefit of the Lessor to comply in all respects (including without limitation, with respect to the use, maintenance and operation of each Unit) with all laws of the jurisdictions in which its operations involving the Units may extend, with the interchange rules of the Association of American Railroads and with all rules of the Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units, and in the event that prior to the expiration of this Lease or any renewal hereof, such laws or rules require any alteration, replacement or addition of or to any part on any Unit, the Lessee will conform therewith at its own expense and title to any additions or improvements so made shall thereupon vest in the Lessor; provided, however, that the Lessee may at its own expense, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Lessor, adversely affect the property of the Lessor under this Lease.

(c) Lessee shall have no liability whatsoever for taxes imposed by the United States of America or any state or political subdivision thereof, or any foreign government, which are based solely upon or measured by the net income of the Lessor.

(d) Lessee shall report, file and pay promptly any and all taxes, as hereinafter defined, and shall indemnify and hold Lessor harmless with respect to taxes. The term "Taxes" as used herein shall mean all taxes, fees and assessments due, assessed levied by any foreign, federal, state or local government or taxing authority during or relating to the Term of any Schedule hereof, including without limitation all license, permit, registration fees, sales, use, ad valorem, personal property, privilege, excise, gross receipts, franchise, stamp or other taxes, duties and charges, together with any penalties, fines or interest thereon, which are imposed against or upon the Units, their purchase, ownership, leasing, possession, use or operation, or the rentals or receipts due under this Lease and Schedules. Lessee will, upon request by Lessor, submit to the Lessor written evidence of the Lessee's payment of all Taxes due hereunder.

(e) The Lessee agrees that, at its own cost and expense, it will maintain and keep each Unit (including any parts installed on or replacements made to any Unit and considered an accession thereto as hereinbelow provided) which is subject to this Lease in good operating order, repair and condition. Further, if at any time during the term of this Lease modifications to the Units are required by any Government regulation or by any group or committee exercising authority over tank car design, it is agreed between Lessee and Lessor that Lessee shall at its own cost and expense perform all modifications so ordered.

(f) Any and all additions to any Unit (except equipment or devices which have been added to such Unit by the Lessee which are not required for the operation or use of such Unit by the Interstate Commerce Commission, the Department of Transportation or any other applicable regulatory body and which may be readily removed from such Unit without materially damaging such Unit or the value thereof) and any and all parts installed on and additions and replacements made to any Unit shall constitute accessions to such Unit and, at the cost and expense of the Lessee, full ownership thereof free from any lien, charge, security interest or encumbrance shall immediately be vested in the Lessor. The Lessee shall not permit any special device or assembly to be attached or affixed to any Unit which may not be readily removed from such Unit without materially impairing such Unit or the value thereof unless such special device or assembly is to be considered an accession to such Unit and Lessee has secured the prior written consent of the Lessor thereto.

(g) The Lessee agrees to indemnify, protect and hold harmless the Lessor and Assignee from and against all losses, damages, injuries, liabilities, claims and demands, regardless of the cause thereof, except as a result of acts or omissions on the part of the Lessor, and expenses in connection therewith, including, but not limited to, counsel fees and expenses, penalties and interest, but not patent liabilities of Lessor, arising out of or as a result of the entering into or the performance of or the occurrence of a default or an Event of Default under this Lease, the ownership of any Unit, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any Unit or any accident in connection with the operation, use, condition, possession, storage or return of any such Unit resulting in damage to property or injury or death to any person. The indemnities arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the expiration or termination of this Lease.

(h) The Lessee agrees to prepare and deliver to the Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Lessor) any and all reports (other than income tax returns) to be filed by the Lessor with any federal, state or other regulatory authority by reason of the ownership by the Lessor of the Units or the leasing thereof to the Lessee.

(i) Lessee acknowledges and agrees (1) that each Unit is of a size, design, capacity and manufacture selected by Lessee, (2) that Lessee is satisfied that the same is suitable for its purposes, (3) that Lessor is not a manufacturer thereof, and (4) that Lessor has not made, and does not hereby make, any representations or warranty or covenant with respect to the merchantability, condition, quality, durability or suitability of any such Unit in any respect or in connection with or for the purposes and uses of the Lessee, or any other representation or warranty or covenant of any kind or character, express or implied, with respect thereto. Lessee agrees that Lessor and Assignee shall not be liable to the Lessee for any liability, claim, loss, damage or expense of any kind or nature caused, directly or indirectly, by any Unit or any inadequacy thereof for any purpose, or any deficiency or defect therein, or the use or maintenance thereof, or any repairs, servicing or adjustments thereto, or any delay in providing or failure to provide any thereof, or any interruption or loss of service or use thereof, or any loss of business, or any damage whatsoever and howsoever caused, except for acts or omissions of Lessor

(j) Lessor hereby assigns to Lessee and agrees to cooperate with Lessee in enforcing, for and during the term of this Lease, any applicable factory warranty, express or implied, issued on or applicable to each Unit, and hereby authorizes Lessee during the term of this Lease to obtain the customary service furnished in connection therewith by the manufacturer at Lessee's expense.

(k) Lessee hereby assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless the Lessor and Assignee, except for acts or omissions of Lessor, its Assignee, successors or transferees and their respective employees, officers and/or agents, herein "indemnified persons", from and against any and all liabilities, obligations, losses, damages, penalties, injuries, claims, actions, suits, costs, expenses and disbursements, including legal expenses, of any kind and nature imposed on or incurred by or asserted against the indemnified persons arising out of leasing, ownership, use and operation of the Units during this Lease and the transportation of Units for initial use and any other matter connected therewith, including but not limited to, latent and other defects, whether or not discovered by Lessor or Lessee. All indemnities and warranties contained in any section of this Lease, including this Section IV, shall continue in full force and effect notwithstanding the expiration or other termination of this Lease or any Schedule and are made expressly for the benefit of, and shall be enforceable by any or all of the indemnified persons.

(l) Lessee assumes all risks and liability for each Unit leased hereunder and for the use, operation, and storage thereof, and for injuries or deaths of persons and damage to property,

howsoever arising from or incident to such use, operation or storage, whether such injury or death to persons be of agents or employees of Lessee or of third parties, and such damage to property be of Lessee or of others. Lessee will save and hold Lessor and Assignee harmless from all losses, damage, claims, liabilities and expenses including attorneys' fees, howsoever arising or incurred, except as a result of acts or omissions of Lessor, because of or incident to any Unit or the use, operation or storage or alleged use, operation or storage thereof.

V. INSURANCE: At its own expense and for the entire term of this Lease, Lessee shall maintain insurance on each Unit as specified in the Schedule pertaining thereto for the actual value of such Unit and in no event for less than the "stipulated loss value" specified in such Schedule, and will maintain public liability and property damage insurance with respect to each Unit.

(a) The insurance policy (or insurance provisions if Lessee elects to self insure) shall designate Lessor and its Assignee as additional loss payees as their interests shall from time to time appear; and the insurance policy shall provide that the terms and conditions may not be cancelled or materially altered without thirty (30) days notice to the Lessor and its Assignee.

(b) In no event shall Lessor be required either to
(1) ascertain the existence of or examine any insurance policy or
(2) advise Lessee in the event such insurance coverage shall not comply with the requirements of this Lease.

VI. DAMAGE; LOSS OR DESTRUCTION: Lessee hereby assumes the entire risk of loss, damage or destruction with respect to each Unit resulting from any cause whatsoever. In the event any Unit is physically damaged to a material extent by any occurrence whatsoever, the Lessee shall promptly notify the Lessor and shall determine within 60 days after such notice whether such Unit can be repaired. If the Unit can be repaired, then Lessee shall effect same at its own cost and expense.

(a) In the event any Unit shall become damaged beyond repair or destroyed, lost, stolen or permanently rendered unfit or in the event of condemnation or requisition of title or use of any Unit by any governmental authority, then Lessee shall promptly notify the Lessor of the same and shall do either of the following within 60 days after the occurrence: (1) at its expense, promptly replace the affected Unit with a like Unit acceptable to the Lessor, in good condition and having a fair market value equal to that of the replaced Unit prior to its being so affected, free and clear of any liens; any such replacement Unit shall be the property of the

Lessor and for the purpose of this Lease be deemed to be the Unit which it replaced; or (2) terminate the Lease with respect to the affected Unit and pay to the Lessor an amount not less than the "stipulated loss value" specified in the Schedule pertaining to such Unit.

(b) In the event that the Lessee shall have complied with the provisions of this Section VI. of this Lease, then, in the event of loss or destruction, the Lessor or its Assignee shall remit to the Lessee any insurance proceeds which the Lessor or its Assignee shall have received from insurance policies placed by and paid for by the Lessee under the terms and conditions of this Lease.

VII. RETURN OF EQUIPMENT: Lessee agrees, by acceptance of each Unit, that such Unit is in good operating order, repair, condition and appearance. At the expiration or sooner termination of the term pertaining thereto, Lessee will return each Unit to Lessor or Assignee free of all advertising or insignia placed thereon by Lessee and in the same operating order, repair, condition and appearance as when received, excepting only for reasonable wear and tear and damage by any cause covered by collectible insurance, and will pay for any repairs necessary to restore such Unit to its original condition, except as aforesaid. Lessee will return each Unit to Lessor or Assignee in the same city in which Lessee first received the same or, if Lessor shall so request, the same freight collect as directed by Lessor or Assignee.

VIII. DEFAULT: (a) If, during the continuance of this Lease or any Schedule or supplement hereto, hereinafter collectively referred to as "Lease", one or more of the following events, hereinafter referred to as "Events of Default", shall occur: (1) Default shall be made by Lessee in the making of any payments to Lessor or Assignee when due under this Lease and such default shall continue for ten (10) days: (2) Default shall be made by Lessee at any time in the procurement or maintenance of any insurance coverage prescribed herein and shall continue for Thirty (30) days: (3) Default shall be made in the observance or performance of any other of the covenants, conditions, agreements or warranties on the part of the Lessee contained herein and such default shall continue for thirty (30) days: (4) If any representation or warranty of Lessee contained in this Lease shall prove to be untrue or incorrect in any material respect and shall continue for more than thirty (30) days: (5) Lessee shall consent to the appointment of a receiver or liquidator of itself or a substantial part of its property, or shall admit in writing its insolvency or bankruptcy or its inability to pay its debts generally as they come due, or shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or a petition or an answer seeking reorganization in a proceeding under any bankruptcy laws (now or hereafter in effect) or a readjustment of its indebtedness or an answer admitting the material allegations of a petition filed against the Lessee in any such proceedings, or shall by petition, answer or con-

sent, seek relief under the provisions of any bankruptcy or other similar law, or an agreement, composition, extension or adjustment with its creditors; (6) An order, judgement or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Lessee, a trustee or liquidator of the Lessee or of any substantial part of its property, or any substantial part of the property of the Lessee shall be sequestered, and any such order, judgement or decree of appointment or sequestration shall remain in force undismitted, unstayed or unvacated for a period of sixty (60) days after the date of entry thereof; (7) A petition against the Lessee in a proceeding under the bankruptcy laws or other insolvency laws (as now or hereafter in effect) shall be filed, and any decree or other order adjudging the Lessee a bankrupt or insolvent in such proceeding shall remain in force undismitted or unstayed for a period of ninety (90) days after such adjudication or, in case the approval of such petition by a court of competent jurisdiction is required, the petition as filed or amended shall be approved by such a court as filed and such approval shall not be withdrawn or the proceeding dismissed within ninety (90) days thereafter, or if, under the provision of any law providing for reorganization or winding-up of corporations which may apply to the Lessee, any court of competent jurisdiction shall assume jurisdiction, custody or control of the Lessee or of any substantial part of its property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminted for a period of ninety (90) days;

(b) Then in any such case, after the occurrence of such Event of Default, and while such Event of Default shall be continuing, Lessor or Assignee at its option may do any or all of the following: (1) proceed by appropriate court action or actions either at law or in equity to enforce performance by Lessee of the applicable covenants and terms of this Lease or to recover from Lessee, any and all damages or expenses including reasonable attorney's fees, which Lessor or Assignee shall have sustained by reason of Lessee's default in any covenant or covenants of this Lease or on account of Lessor's or Assignee's enforcement of its remedies hereunder, (2) terminate Lessee's rights under this Lease and (3) take possession of all of the Units leased hereunder and thereupon Lessee's right to the possession thereof shall terminate. In the event of any such repossession, Lessor or Assignee shall either (i) lease the Units or any portion thereof for such period and rental, and to such persons as Lessor or Assignee shall elect or (ii) sell the Units or any portion thereof at public or private sale and without demand or notice of intention to sell or of sale or presence of the same at the place of sale. If any Unit is sold, leased or otherwise disposed of pursuant to this Paragraph VIII.(b), Lessee shall be liable to Lessor for and Lessor may recover from Lessee, as liquidated damages for breach of this Lease, but not as a penalty, and as reasonable rent for the use of such Unit the amount by which the proceeds of such lease, sale or other disposition less expenses for retaking, storage, repairing and lease, sale or other disposition, and reasonable attorney's fees incurred by Lessor or Assignee is less than the sum of (i) all past due and all unpaid rent applicable to such Unit,

(ii) The "stipulated loss value" as of the day of repossession by Lessor, (iii) other amounts payable hereunder by Lessee with respect to such Unit, (iv) all costs, expenses, losses and damages incurred or sustained by Lessor by reason of such default; and (v) interest at the legal rate on each of the foregoing and on all sums not paid when due under any provision of this Lease. If, on the date of such termination or repossession any Unit be damaged, lost or stolen or destroyed, or be subject to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency, Lessee shall also remain liable for the "stipulated loss value" pertaining to such Unit, less the amount of any insurance recovery received by Lessor in connection therewith.

(c) No right or remedy conferred upon or reserved to Lessor by this Lease shall be exclusive of any other right herein or by law provided; all rights and remedies of Lessor conferred upon Lessor by this Lease or by law shall be cumulative and in addition to every other right and remedy available to Lessor.

(d) In the event of any default, Lessee will pay to Lessor a reasonable sum as and for attorney's fees, such costs and expenses as shall have been expended or incurred by Lessor in the enforcement of any right or privilege hereunder, and interest at the legal rate on each of the foregoing and on all sums not paid when due under any provision of this Lease.

(e) Should Lessor be in default hereof as to any one Unit, Lessee may not because of such default terminate the Lease in connection to any other Unit leased hereunder.

IX. ASSIGNMENT BY LESSOR: The parties hereby acknowledge that Lessor intends to assign the Lease and all Schedules to a financial institution. Lessee acknowledges and understands that the terms and conditions of this Lease have been fixed by the Lessor in anticipation of its being able to assign its interest under this Lease and in and to the Units leased hereunder to a bank or other lending institution or to others having an interest in the leased Units or this transaction, all or some of which will rely upon and be entitled to the benefit of the provisions of this paragraph; and Lessee agrees with Lessor and with such bank or other lending institution and/or otherparty (for whose benefit this covenant is expressly made) and in consideration of the provisions hereof, as follows: (1) to recognize any such assignment, (2) to accept the directions or demands of such assignee in place of those of the Lessor, (3) to surrender any leased property only to such assignee, (4) agrees that the rights of the Assignee in and to the rents and other sums payable by the Lessee under the provisions of the Lease shall be absolute and unconditional and shall not be subject to any abatement whatsoever, or to any defense, set-off, counterclaim or recoupment whatsoever by reason of any damage to or loss or destruction of the Units or by reason of any defect in or failure of title of the Lessor to the Units or any interruption from whatsoever cause (other than from the wrongful act of the Assignee) in the use, operation or possession of the Units or by reason of any indebtedness or liability howsoever and whenever arising of the Lessor to the Lessee or to any other person, firm, corporation or governmental agency or taxing authority or for any other reason or by

reason of any wilful misconduct or gross negligence of the Lessor, and (5) not to assert against the Assignee any claim, defenses, demands, actions, counterclaims or set-offs which the Lessee has or may have against the Lessor, and not to require any Assignee of this Lease to perform any duty, covenant or condition required to be performed by Lessor under the terms of this Lease, all rights of Lessee in any such connection aforesaid being hereby waived as to any and all of such Assignee's. However, nothing hereinbefore contained shall relieve Lessor from its obligations to Lessee hereunder.

Furthermore, any such Assignee of the Lease is entitled to claim from Lessee all indemnities and protections granted to Lessor under Sections IV(g), (i), (k) and Section VII, without setoff or counterclaim or defense being raised by Lessee against Assignee, and Assignee's right to the same shall survive the termination of this Lease.

X. QUIET POSSESSION: Lessor covenants that it is the lawful owner of the Units leased hereunder and that conditioned upon the Lessee performing the conditions hereof, Lessee shall peaceably and quietly hold, possess and use such Units during the term of this Lease.

XI. OPTIONS: Options of Lessor and Lessee shall be those appearing in the pertinent Schedule.

XII. APPLICABLE LAW: The Lessee hereby agrees that the provisions of this Lease and all the rights and obligations hereunder shall be governed and construed in accordance with the laws of the State of Illinois.

XIII. REPRESENTATIONS AND WARRANTIES OF LESSEE:

(a) To induce Lessor to enter into this Lease and any Schedules hereto, and with the knowledge that Lessor is doing so in reliance upon these representations and warranties, Lessee represents and warrants to Lessor and its assigns (i) that the making of this Lease and any Schedules hereto was duly authorized on the part of the Lessee and that upon due execution thereof by Lessee and Lessor, this Lease and any Schedules hereto will constitute a valid obligation binding upon and enforceable against Lessee in accordance with its terms; (ii) that neither the making of this Lease and any Schedules hereto, nor the due performance thereof, by Lessee, including the commitment and payment of the total amount of the rental obligations under this Lease, will result in any breach or breaches of, or constitute any default or defaults under, or violation or violations of, Lessee's certificate of incorporation, Lessee's by-laws or any agreement to which Lessee is a party or by which any interest of Lessee may be affected; (iii) that Lessee is in good standing in its jurisdiction of incorporation and in any jurisdiction in which the Units are to be located; (iv) that any and all financial statements or other information with respect to the Lessor heretofore furnished by Lessee to Lessor was when furnished, and remains at the time of execution of this Lease and any Schedules hereto, true and without any misleading omissions, excepting any changes in Lessee's financial status as reflected in any such statement resulting from one or more transactions in the usual course of business, providing that such change is not materially adverse to Lessee.

(b) All representations and warranties made herein or in any certificate or instrument contemplated hereby shall survive the execution and delivery of this Lease and any Schedules and shall continue so long as any obligations under this Lease are outstanding and unsatisfied.

XIV. ASSIGNMENT AND/OR SUBLEASE BY LESSEE:

(a) Lessee may assign this Lease or sublease any or all of the Units without the consent of Lessor, provided however, that no such assignment or sublease shall relieve Lessee of any liability or obligations hereunder which shall be and remain those of a principal and not a surety. Any such assignment or sublease shall be expressly subordinate in all respects to the terms, conditions and provisions of this Lease. No assignment or sublease by Lessee of any of its rights hereunder shall in any way discharge or diminish any of the Lessee's obligations to the Lessor hereunder.

XV. AMENDMENTS AND MISCELLANEOUS:

(a) The terms of this Lease shall not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by the Lessor and the Lessee which instrument is consented to in writing by an assignee of Lessor.

(b) This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and the Lessee and its successors and, to the extent permitted hereby, assigns.

(c) Any provision of this Lease which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(d) Time is of the essence with respect to this Lease and any payments of rental installments or otherwise to be made by the Lessee hereunder.

(e) The single executed original of this Lease marked "Original" shall be the "Original" and all other counterparts hereof shall be marked and be Duplicates. To the extent that this Lease constitutes chattel paper, as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction, no security interest in this Lease may be created through the transfer or possession of any counterpart other than the "Original".

(f) Section headings are for convenience only and shall not be construed as part of this Lease.

(g) In the event any term or provision of this Lease shall be inconsistent with any term or provision of any Equipment Lease Schedule hereunder, then in that event the Equipment Lease Schedule shall be controlling.

(h) If requested by Lessor, Lessee shall prepare, at Lessor's expense, and file state Uniform Commercial Code financing statements, or the equivalent, in the state where the Units may be based. The filing of any such financing statement, for the purpose of this Lease, shall not mean that Lessor has anything less than legal and beneficial ownership of the Units.

IN WITNESS WHEREOF, the parties have executed this Lease on this 1ST day of APRIL, 1984.

TEMCO CORPORATION (JOINT LESSOR)

BY: [Signature]

TITLE: PRESIDENT

SIGNATURE INDUSTRIES CORP. (JOINT LESSOR)

BY: [Signature]

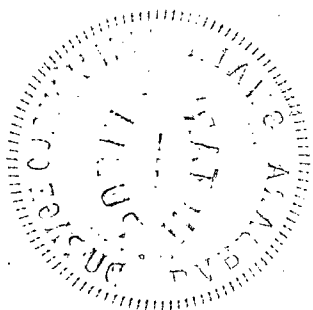
TITLE: PRESIDENT

UNION OIL COMPANY OF CALIFORNIA (LESSEE)

BY: [Signature]

TITLE: Manager Marketing Transportation

Notary Public
Barbara Swain



EQUIPMENT LEASE SCHEDULE

SCHEDULE NO. 1-2

This Equipment Lease Schedule is executed pursuant and subject to that certain Equipment Lease Agreement dated APRIL 1, 1984 between Temco Corporation and Signature Industries Corp. (jointly referred to as "Lessor") and Union Oil Company of California (referred to as "Lessee"). The terms used herein shall have the meaning given to such terms in the aforesaid Equipment Lease Agreement in accordance with the terms thereof.

Lessee confirms that (1) said Units have been examined by duly appointed and authorized representatives of Lessee and that Lessee hereby absolutely and unequivocally accepts the ten (10) Units selected on its behalf by Lessor or Lessor's agent, (2) the Units described herein were duly accepted by Lessee as Units for leasing under the Equipment Lease Agreement, (3) said Units became subject to and governed by the terms of the Equipment Lease Agreement, and (4) Lessee became obligated to pay the rentals provided for in the Equipment Lease Agreement and herein with respect to said Units to Lessor.

1. DESCRIPTION OF UNITS: See Exhibit I.
2. SITUATE: The Units will be based in the Lemont, Illinois area.
3. LEASE TERM: The Lease Term as to the Units described in Exhibit I is eight (8) years, 96 months.
4. COMMENCEMENT DATE: The Lease will begin on the 26TH day of JUNE, 1984, and will end on the 26TH day of JUNE, 1992.
5. MONTHLY LEASE PAYMENTS: The Lessee will make 96 consecutive monthly lease payments of \$5,000 each, payable monthly on arrears.
6. RENEWAL OPTION: At the end of the eight (8) year Lease Term, the Lessee may, by giving Lessor written notice 120 days prior to the end of the eight (8) year Lease Term, renew the Lease with respect to the Units for a period of up to 60 additional months. The monthly lease payment during the renewal period selected by the Lessee will be \$2,350 per month, payable monthly in advance.

7. STIPULATED LOSS VALUE: The Stipulated Loss Value applicable to each Unit under this Lease is the amount to be paid pursuant to Sections V and VI of the Equipment Lease Agreement with respect to leased Units lost, stolen, destroyed or damaged beyond repair during the term of the Lease. The Stipulated Loss Value applicable to each Unit throughout the term of the Lease is \$27,230.

8. MILAGE: All mileage credits earned by the tank cars (Units) during the term of this Lease shall be for the account of the Lessee.

All parties to this Lease hereby agree that this Equipment Lease Schedule No. 1-2 is (i) the full and complete replacement for, (ii) has been physically substituted for, and (iii) amends and totally cancels Equipment Lease Schedule No. 1 dated April 1, 1984. Further, all parties to this Lease hereby agree that this Equipment Lease Schedule No. 1-2 is the one and only Equipment Lease Schedule existing pursuant to that certain Equipment Lease Agreement dated April 1, 1984 by and between Temco Corporation and Signature Industries Corp. (joint Lessor) and Union Oil Company of California (Lessee) and Uptown National Bank of Chicago (Assignee).

ACCEPTED AND AGREED TO this 26TH day of JUNE, 1984, as a schedule to and part of that certain Equipment Lease Agreement dated the 1ST day of APRIL, 1984.

TEMCO CORPORATION (JOINT LESSOR)

BY: Bruce S. Berkman

TITLE: PRESIDENT

SIGNATURE INDUSTRIES CORP. (JOINT LESSOR)

BY: Robert F. Jank

TITLE: PRESIDENT

UNION OIL COMPANY OF CALIFORNIA (LESSEE)

BY: J. K. Glowski

TITLE: Mgr. Tank Transportation

NOTARY PUBLIC

Barbara Swain

EXHIBIT I TO EQUIPMENT LEASE SCHEDULE NO. 1-2

DESCRIPTION OF UNITS: This Equipment Lease Schedule No. 1-2 covers ten (10) DOT Class 112J340W, 33,500 gallon nominal capacity railroad tank cars. The tank cars have the following Reporting Marks:

UOEX 11201
UOEX 11202
UOEX 11203
UOEX 11204
UOEX 11205
UOEX 11206
UOEX 11207
UOEX 11208
UOEX 11209
UOEX 11210

EQUIPMENT LEASE AGREEMENT ASSIGNMENT

LESSEE: UNOIN OIL COMPANY OF CALIFORNIA

JOINT LESSOR/ASSIGNOR: TEMCO CORPORATION
SIGNATURE INDUSTRIES CORP.

ASSIGNEE: UPTOWN NATIONAL BANK OF CHICAGO

DESCRIPTION OF THE EQUIPMENT LEASE AGREEMENT: The Equipment Lease Agreement being assigned covers the lease of ten (10) AAR Class 112J300W, 33,500 gallon capacity railroad tank cars.

DATE OF THIS AGREEMENT: *APRIL 1, 1984*

DATE OF THE EQUIPMENT LEASE AGREEMENT: *APRIL 1, 1984*

For valuable consideration, the receipt whereof is hereby acknowledged, the undersigned hereby sell, assign, transfer, grant a security interest in and set over to Uptown National Bank of Chicago at 4753 North Broadway, Chicago, Illinois, its successors and assigns, without recourse as to the financial ability of the Lessee to pay, the within Lease and, as security for payment of the rents due under the Lease, the undersigned assign and grant to the Assignee a security interest in all of the undersigned's right, title and interest in the Units hereby leased, and all rights and remedies therein, including the right to collect rent due thereon, to repossess the Units in the event of default by the Lessee and the right either in the Assignee's own name, or in the name of the undersigned to take such legal action, proceedings or otherwise as the undersigned might have taken save for this Assignment. The undersigned agree that Assignee may grant extensions of time of payment to and compromise and/or release claims against the Lessee or any other obligor on said Lease or any note and/or guarantees now or hereafter given in connection therewith and repossess, relet and resell any Units.

Upon the full discharge and satisfaction of all rental payments due from the Lessee under the terms and conditions of the Equipment Lease Agreement, this Assignment and all rights herein assigned to Assignee shall terminate and all estate, right, title and interest of the Assignee in and to the Lease shall revert to the Lessor.

This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Assignee.

The undersigned warrants that: The Lease and all documents connected therewith, including all options to purchase the Units, consents by third parties, guaranties and notes, if any (all of which documents are collectively called the "Lease" in this Assignment) and each of them are genuine and in all respects what they purport to be and enforceable according to their terms, and that they are, and will continue to be (except insofar as Assignee may consent otherwise) the only, and all of, the instruments executed in connection with the Lease of the Units therein described; that all statements contained in the Lease are true and that all unpaid balances shown therein are correct; that the Lessee, and each of the Lease documents and the obligations which they evidence are, and will continue to be, free and clear of all defenses, setoffs, counterclaims, liens and encumbrances of every kind and nature; that at the time of the execution of this Assignment the undersigned had good title to the property leased and full right to enter into the Lease; that the property leased has been delivered to the Lessee in satisfactory condition and has been accepted by the Lessee under the terms of the Lease; that all sales or other tax that may be payable on the transaction has been paid; that all parties to the Lease have full capacity to contract; that the undersigned has no knowledge of any facts which impair the validity of the Lease or make the same less valuable; that all filing and recording required by law have been completed and complied with; that any requirement of new or further filing, recording or renewals thereof shall be complied with by the undersigned and that Assignee may undertake same but shall be without any responsibility or obligation whatsoever for any omission or invalid accomplishment thereof.

The undersigned further expressly warrants and represents that the Lease and all Lease documents arise out of a bona fide Lease in the first instance of the property therein described to the person therein named as Lessee; that prior to the execution of the Lease, the Lessee did not have any interest, directly or indirectly, in the Units described therein or leased thereby; that all payments made of rent or otherwise, will be made by Lessee in cash and not otherwise unless stated in the Lease; and that the undersigned will not create any lien, mortgage, encumbrance or security interest upon the Lease or any of the Units covered by the Lease hereby assigned; that the undersigned will not accept the return of or retake, recapture or repossess any of the Units or modify, terminate or re-

liens and claims against the collateral and all costs, charges and expenses incurred in taking, removing, holding and preparing for sale; Second, to the payment of all amounts outstanding under the Note and this Agreement.

This Assignment has been delivered to Assignee and this Agreement and any instrument or agreement required hereunder, shall be governed and construed under the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of this 1ST day of APRIL, 1984.

TEMCO CORPORATION

BY: *[Signature]*

TITLE: President

SIGNATURE INDUSTRIES CORP.

BY: *[Signature]*

TITLE: President

UPTOWN NATIONAL BANK OF CHICAGO

BY: _____

TITLE: _____

NOTARY PUBLIC

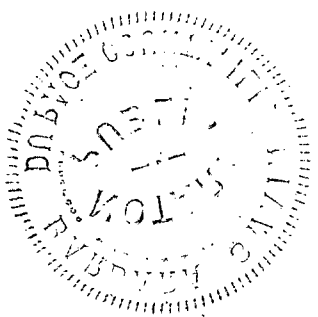
Barbara Swain

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CONSENT AND AGREEMENT TO ASSIGNMENT

The undersigned, Union Oil Company of California, (hereinafter referred to as "Lessee"), the Lessee named in the Equipment Lease Agreement (hereinafter referred to as "Lease") referred to in the foregoing Equipment Lease Agreement Assignment (hereinafter referred to as "Assignment"), hereby (a) acknowledges receipt of a copy of the Assignment and (b) consents to all the terms and conditions of the Assignment and agrees that (1) Lessee will pay all rentals, casualty payments, liquidated damages, indemnities and other sums provided for in the Lease (which sums are hereinafter referred to as "Payments") due and to become due under the Lease or otherwise in respect to the Units leased thereunder, directly to Uptown National Bank of Chicago (hereinafter referred to as "Assignee") at its office at 4753 North Broadway, Chicago, Illinois (or at such other address as may be furnished in writing to the Lessee by the Assignee); (2) as security for payment of the rentals called for under the terms of the Lease, Lessee assigns and grants to the Assignee a security interest in all of the Lessee's right, title and interest in and to the Units covered by the Lease; (3) the Assignee shall be entitled to the benefits of, and to receive and enforce performance of all the covenants to be performed by the Lessee under the Lease as though the Assignee were named therein as Lessor; (4) the Assignee shall not, by virtue of the Assignment or this Consent and Agreement to Assignment, be or become subject to any liability or obligation under the Lease, and Lessee hereby agrees that Lessee will not assert and hereby waives all rights to assert against the Assignee any and all claims, demands, actions, counterclaims or defenses which the Lessee has or may have against the Lessor; and (5) the Lease shall not, without the prior written consent of the Assignee, be terminated or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or of the Assignment or of this Consent and Agreement to Assignment or of any of the rights created by any thereof; except as the Lease permits or requires such termination, modification or action.

This Consent and Agreement to Assignment, when accepted by the Lessee by signing at the foot hereof, shall be deemed to be a contract as of the date of acceptance and under the laws of the state of Illinois and, for all purposes, shall be construed in accordance with the laws of same.

The foregoing Consent and Agreement to Assignment is hereby accepted and agreed to as of this 1st day of APRIL, 1984.

UNION OIL COMPANY OF CALIFORNIA (LESSEE)

BY: _____

TITLE: _____

NOTARY PUBLIC

Barbara Swain

CORPORATE CERTIFICATE OF AUTHORIZATION

TO: TEMCO CORPORATION (JOINT LESSOR)
47 West Dundee Road
Wheeling, IL 60090

SIGNATURE INDUSTRIES CORP. (JOINT LESSOR)
1900 Lee Street
Des Plaines, IL 60018

FROM: UNION OIL COMPANY OF CALIFORNIA (LESSEE)
1650 East Golf Road
Schaumburg, IL 60196

It is my opinion that the Equipment Lease Agreement between Temco Corporation and Signature Industries Corp. as joint Lessors and Union Oil Company of California as Lessee and dated the 1st day of APRIL, 1984 has been duly authorized, executed and delivered by Union Oil Company of California.

The Assignee referred to in the Consent and Agreement to Assignment may also rely upon this opinion.

UNION OIL COMPANY OF CALIFORNIA (LESSEE)

BY: F. Kozlowski

TITLE: _____

DATE: 4/11/84

NOTARY PUBLIC

Barbara Swain